

CLAIMS

We claim:

1. A method for reducing credit card fraud consisting of the following steps:

1. An authorized user accesses his credit card account which has a usage line,
 10 where the usage line, which is solely administrated by the authorized user, is a
 paradigm that optionally defines approved merchants, approved times,
 coincident user approval and other criteria as established by the user.
2. The user presents or communicates his credit card, at time of a purchase, to
 the merchant.
- 15 3. The merchant contacts a card processor, initiating a request that funds be
 transferred from the account to the merchant.
4. The card processor relays the request to an issuing bank for the credit card
 account.
5. The issuing bank individually processes the request through the account and
 20 through the usage line, said processing generating a first result for the account,
 and a second result for the usage line.
6. The issuing bank compares the results and issues a reply to the card processor
 that the request is approved if both the first result and the second result are
 approved, or replies that the requests is declined if either result is not
 25 approved.
7. The card processor communicates the reply to the merchant.
8. The merchant completes the purchase, or notifies user that card was declined.

2. A process for administering the method described in claim 1, where the process
 consists of the following steps:

- 30 1. Establishing a credit card account with an offering fiduciary institution,
 where the account has a usage line and a line of credit, and wherein,
 ultimately, the account can be accessed and viewed on a computerized
 screen;

- 5 2. Setting communication protocols and security profiles for accessing the credit card account for remote viewing of the account, where said account has an activity register;
3. Opening the usage line and start building the paradigm that, optionally, defines criteria for approving a credit card purchase; that, optionally, defines
10 criteria for automatic contact of the authorized user and circumstances for the suspension of activity of the card, that, optionally, defines criteria for a cash advance; that turns on a tracking means;
4. Activating the card;
5. Running, optionally, an algorithm that is a testing means, and, initiate,
15 optionally, at least one test purchase, preferably one that should be approved and one that should be declined by the usage line;
6. Opening the activity register and the tracking means section of the usage line, confirming that the desired transactions occurred;
7. Reviewing, periodically, the activity register to confirm that there has been no
20 suspicious activity; and
8. Amending the usage line to reflect anticipated changes in spending habits, such as a single large purchase having a narrow window of time, or a purchase over the Internet with a new merchant.
3. A credit card account with an authorized user and an issuing bank, where said credit
25 card account has a line of credit and a usage line, where the usage line is a paradigm developed and administered by the authorized user, where the paradigm is a set of criteria for granting permission to access the line of credit, such that at the discretion of the authorized user, a pending request for payment could require approval from both the authorized user and the issuing bank.
- 30 4. A credit card account as claimed in claim 3, where the paradigm of the usage line allows the authorized user to optionally define approved merchants, approved transaction times and dates, approved maximum transaction amounts and whether the user requests explicit, real time, approval.
5. A credit card account as claimed in claim 4 where the usage line requests explicit,
35 real time approval, wherein a preferred means of approval is via email.

- 5 6. A credit card account as claimed in claim 3, where said usage line is accessible to the authorized user through a web site.
7. A credit card account as claimed in claim 3 where the paradigm of said usage line allows the authorized user to optionally elect to keep a record a transaction, where the record reflects both approved and declined requests for payment.
- 10 8. A credit card account as claimed in claim 3 where said record acts a ready source for the authorized user to evaluate whether any unauthorized transactions were attempted.
9. A credit card account as claimed in claim 7, where said usage line is accessible to the authorized user through a web site.
- 15 10. A credit card account as claimed in claim 7, where the paradigm of the usage line allows the authorized user to optionally define approved merchants, approved transaction times and dates, approved maximum transaction amounts and whether the user requests explicit, real time, approval.
11. A credit card account as claimed in claim 8 where the usage line requests explicit, real time approval, wherein a preferred means of approval is via email.
- 20 12. A credit card account as claimed in claim 3, where the usage line is defined so that the authorized user grants approval for use to his business representatives, and the usage line is defined so that only legitimate business purchases can be made.